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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF CALIFORNIA

In Re:

CREATIVE CAPITAL LEASING GROUP, LLC,

Debtor.

VINTON COUNTY NATIONAL BANK,
successor by merger to First Bremen Bank,

Movant,

CREATIVE CAPITAL LEASING GROUP, LLC,
Debtor, LESLIE T. GLADSTONE, Chapter 7
Trustee

Respondents.

Case No.: 07-04977-PB7

**DECLARATION OF JEFFREY D.
CAWDREY IN SUPPORT OF
TRUSTEE'S OBJECTION TO
VINTON COUNTY NATIONAL
BANK'S MOTION FOR RELIEF
FROM AUTOMATIC STAY**

RS No. TBG-1

Date: August 25, 2014
Time: 10:00 a.m.
Dept.: 4
Judge: Hon. Peter W. Bowie

I, Jeffrey D. Cawdrey, hereby declare:

1. I am an attorney licensed to practice law in the State of California and before this Court and a partner in the law firm of Gordon & Rees LLP, which is counsel of record for Leslie T. Gladstone, Chapter 7 Trustee of Creative Capital Leasing Group, LLC ("Trustee") in the above-captioned matter. The information provided herein is based upon my personal knowledge, unless otherwise stated, and in such case is based upon my information and belief, as described accordingly.

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2. As set forth in secured creditor Vinton County National Bank's, successor by merger to First Breman Bank ("VCNB"), Notice of Motion for Relief from the Automatic Stay, Motion for Relief From the Automatic Stay, and Declaration of Allen Tucker In Support of Motion for Relief From Automatic Stay (collectively, the "Moving Papers"), VCNB has a first priority lien on real property located at 8241 Candlewood Way, Reynoldsburg, Ohio (the "Property").

3. Based on the documents provided to my office by the Debtor, in July 2000, Creative Capital Leasing Group, LLC ("Debtor"), as lessor, and Geniebooks.com Corporation ("Lessee"), as lessee, entered into an equipment lease agreement (Lease No. 7486-1)(the "Lease"). The Lease was secured by an Equipment Guarantee ("Guarantee") signed by Joan Baker (the "Decedent") on July 24, 2000 and Open-End Mortgage, Assignment of Leases and Rents and Security Agreement (the "Mortgage") dated August 3, 2000 by and between the Debtor and the Decedent on the Property. A true and correct copy of the Lease, Guarantee, and Mortgage are attached hereto as **Exhibit A**.

4. Based on the foregoing, VCNB admits that Debtor, at minimum, has a security interest in the Property.

5. VCNB asserts that it seeks relief from stay so that it may be adequately protected and move forward with liquidating its collateral in an orderly fashion under Ohio Law [Docket 972-1, pg. 6:2-3].

6. Pursuant to the Opinion of Value attached as Exhibit A to the Moving Papers, the value of the Property is \$205,000.00.

7. As noted in the Moving Papers, VCNB is owed \$60,189.72, plus additional accruing interest and fees. Additionally, the Property is further encumbered by a tax lien in the amount of \$86,326.33 and, as VCNB suggests, the tax lien "enjoys priority over VCNB's mortgage" [Docket 972-1, pg. 4:22-23].

8. However, despite the existence on of the tax lien, VCNB notes that the valuation of the Property "suggests some equity available after the possible satisfaction of the real property

1 taxes due and VCNB's mortgage" [Docket 972-1, pg. 5:15-17]. After the repayment of the tax
2 lien and VCNB's mortgage, an equity cushion of approximately \$58,483.95 remains and
3 therefore, based on the Moving Papers, VCNB admits that it is adequately protected.

4 9. The Property's value, which appears to have increased in recent years, has
5 potential realizable equity to be recovered by the estate.

6 10. Thus, VCNB's motion for relief from stay should be denied or, in the alternative,
7 continued to a time sufficient to allow the Trustee to value the Property and determine whether
8 the Trustee could capture the equity in the Property for the benefit of the estate.

9 11. I have conferred with counsel for Movant, who has since provided information
10 regarding the Property including the contact information for counsel for the probate estate of the
11 owner of the Property. The Trustee intends to promptly perform an investigation into the
12 likelihood of a recovery for the estate.

13 I declare under penalty of perjury under the laws of the United States of America that the
14 foregoing is true and correct.

15 Executed at Denver, Colorado on August 14, 2014.

16
17
18 /s/ Jeffrey D. Cawdrey
Jeffrey D. Cawdrey